Interest relief to farmers

720. SHRI K. CHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have announced interest relief to the farmers;

(b) if so, details thereof alongwith the details of nature of loans covered under this scheme;

(c) whether it is a fact that this relief measures only covers the short-term loans;

(d) if so, whether Government have received proposals from the farmers who have availed long-term loans to be covered under this scheme;

(e) if so, whether Government have considered their proposal;

(f) if so, details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) In view of the damage caused to crops by drought in several parts of the country, Reserve Bank of India (RBI) has advised all scheduled commercial banks not to effect any recovery of the crop loans, including interest durng the financial year 2002-03 in the States affected by the failure of the monsoon. As per the guidelines issued by RBI for Kharif 2002-03, the following reliefs may be extended by commercial banks to the farmers affected by drought, in the districts notified by the State Governments:

(i) There should be no recovery of any amount either by way of principal or interest during the financial year 2002-03 in respect of Kharif crop loan;

(ii) The principal amount of the crop loan should be converted into term loan to be recovered over a period of minimum of three years in the case of small and marginal farmers, and four years in the case of other farmers;

(iii) Interest due on crop loans in the financial year 2002-03 should also be deferred. No interest should be charged on the deferred interest.

Subsequently, in order to mitigate the hardship of the farmers in the drought affected States, it has been decided to waive completely the first year's deferred liability of interest on Kharif loans as a one-time measure. Commercial banks have been advised to defer the interest due in the year 2002-03 on Kharif loans in such a way that deferred instalments of interest payment would be 20% of the deferred interest. This instalment of deferred insterest would be reimbursed by Government and would be applicable in the case of all farmers. The balance amount of the deferred interest may be recovered in reasonable instalments thereafter. It has also been reiterated that no interest should be charged on the deferred interest. Further, banks were advised that there will be a cap of 20% of the total deferred liabilities of interest on the amount to be waived for the first year.

(c) The above relief measures cover only short term loans.

(d) No, sir.

(e) to (g) Do not arise in view of (d) above.

Smuggling of drugs

721. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that expensive use of camouflage by smugglers in the shape of cavities in wooden artifacts, hollow opening in wheelchairs, private parts of the body, plasters legs etc. is helping them to avoid detection at Airport customs, etc. thus contributing towards large-scale smuggling of drugs;

(b) if so, whether custom mechanism both men and gadgets are being adequately equipped to detect such cases; and

(c) how many such cases have been detected in major International Airports like Delhi, Kolkata, Mumbai, etc. during the last six months?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIPAD YESSO NAIK): (a) and (b) Yes, Sir. However, resources in term of manpower and technological aid such as X-Ray baggage machines and IONSCAN machines for detection of drugs etc. are adequate.

(c) 13 cases have been detected in major international airports during last six months.